

**EDWARD KNIGHT**

EXECUTIVE VICE PRESIDENT AND GENERAL COUNSEL



THE NASDAQ STOCK MARKET  
9513 KEY WEST AVENUE  
ROCKVILLE, MARYLAND 20850  
P 301.978.8480 F 301.978.8471  
edward.knight@nasdaq.com

August 15, 2005

Robert L.D. Colby  
Acting Director  
Division of Market Regulation  
U.S. Securities and Exchange Commission  
100 F Street, NE  
Washington, DC 20549-9303

Re: Amendment Number 4 to Form 1

Dear Mr. Colby:

On November 9, 2000 and March 15, 2001, The Nasdaq Stock Market, Inc. ("Nasdaq") filed an Application on Form 1 to register as a national securities exchange pursuant to Section 6 of the Securities Exchange Act of 1934 (as amended, the "Act"). Today, we are filing Amendment Number 4 to that Application, which supersedes and replaces the original Application and intervening amendments.

As you know, the amendment reflects several modifications from the original Application. First, Nasdaq is proposing to create a new limited liability company, The NASDAQ Stock Market LLC ("NASDAQ LLC"), that would operate as the national securities exchange, while Nasdaq would become a holding company. The proposed governance structure for NASDAQ LLC, and proposed changes to the governance of Nasdaq, are both reflected in the amendment. In addition, as provided in the rules for the operation of NASDAQ LLC, transactions through the facilities of NASDAQ LLC would be conducted in accordance with principles of price-time priority.

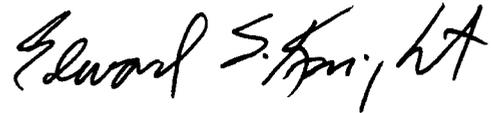
The amendment also reflects Securities Exchange Act Release No. 52049 (July 15, 2005), 70 FR 42398 (July 22, 2005) (SR-NASD-2005-087), in which the National Association of Securities Dealers, Inc. ("NASD") proposed the creation of The Trade Reporting Facility LLC, a limited liability company to be operated for the purpose of trading otherwise than on an exchange of Nasdaq-listed and certain other exchange-listed securities. We note that SR-NASD-2005-087 was published for comment on July 22, 2005, and that accordingly, the comment period for that proposal has elapsed.

In conjunction with the creation of NASDAQ LLC and The Trade Reporting Facility LLC, Nasdaq would transfer all or substantially all of its assets and liabilities to its subsidiaries, in exchange for a 100% economic interest in those subsidiaries. The consolidated capitalization, assets and liabilities of Nasdaq following the proposed restructuring would be the same as immediately prior to the restructuring. The capital structure of Nasdaq will not be affected by the restructuring.

Robert L.D. Colby  
August 15, 2005  
Page 2

On behalf of Nasdaq, I want to thank you and your staff for the assistance you have provided during the exchange registration process. Particular thanks are due to Elizabeth King, Kelly Riley, Geoff Pemble, Susie Cho, Mia Zur, Terri Evans, Rebekah Liu, and Ted Vinuti. My staff and I are always available to discuss the application, and we look forward to prompt Commission action.

Sincerely,

A handwritten signature in black ink, reading "Edward S. King, Jr." with a stylized flourish at the end.

cc: Robert Greifeld